

*The Ceppwawu split last year has affected the union and shopfloor relations. **David Dickinson** conducted a case study of a company whose workers are represented by Ceppwawu, the breakaway union Giwusa and Numsa. The study sought to understand changes in union membership and inter-union rivalry and how this impacts on labour relations and the labour movement.*



When brothers fall out...

Flowco (fictitious name) makes PVC pipes and fittings. The company is now jointly owned by Everite and Sasol and has formed a number of Black Economic Empowerment partnerships. At the end of 1999 the company's Injection Moulding facility at Chamdor on the West Rand was relocated to Roodekop in Ekhurelini (East Rand). The Everite/Sasol merger resulted in two Cosatu affiliated unions – the Chemical,

Energy, Paper, Printing Wood and Allied Workers (Ceppwawu) and the National Union of Metal Workers of South Africa (Numsa) – competing for members in the workforce.

The situation became more complicated following the arrival of the General Industrial Workers Union of South Africa (Giwusa) which attempted to recruit members in 2003. Giwusa became a contender for Ceppwawu members when that union split.

Despite the widening division in union membership, a large number of those interviewed described the relationship between management and the workforce as 'good' – except for a brief wildcat strike over a delay in the payment of wages in 2001. This indicates, on the one hand, a mature workforce and on the other, managers who follow due process, as outlined by labour legislation.

At the same time it was also



indicated that the relationship between management and the workforce is limited with little attempt to explore more innovative ways of working. A key feature of industrial relations at Flowco stems from management's strict application of labour legislation on the rights given to unions. While the Labour Relations Act's (LRA) definition of 'representative union' is generously interpreted regarding stop orders – with all requests met – and access for union officials, union shop stewards are only recognised when their union has a majority (50% plus one) of the workforce – a strict interpretation of the LRA.

This means that minority unions (such as Numsa) are recognised as a 'communication channel', but are otherwise not formally recognised. There are not, for example, regular meetings between management and Numsa shop stewards. Under the present circumstances this has created a 'winner-takes all' situation at Roodekop in that the majority union is regarded as the representative of the workforce as a whole.

Union dynamics

Prior to the merger, the vast majority of black employees were members of CWIU and then Ceppwawu. Ceppwawu, was formed in 1999 by the merger of the CWIU and the Paper, Printing, Wood and Allied Workers Union (Ppwawu). Following a perception of poor service from the CWIU official at Flowco Chamdor, a majority of production workers joined Numsa. These workers brought the union into Roodekop (Ceppwawu stronghold) following the merger. Significantly, Chamdor workers – and hence Numsa – were located in the new Injection Moulding section of Roodekop, though not all workers in Injection Moulding were Numsa members. The union was in the minority and Ceppwawu had a majority (50% plus one) of the bargaining unit.

The Ceppwawu merger process was regarded as being difficult and contributing to the later problems which emerged in the union.

In 2001 members of Ceppwawu in Roodekop agreed to support the Cosatu two-day general strike in protest against the ANC government's

privatisation programme. On the first day of the strike, however, they found that a number of Numsa workers were working. This led to tense scenes: management advised Numsa workers to join the strike, however they refused and remained working. A few weeks after the Cosatu strike there was an attempt by workers to unify all employees into a single union. This was done by Numsa's senior shop steward joining Ceppwawu as vice-chair, and then chair, of the shop stewards committee, along with other Numsa members. Exactly how many Numsa members moved over to Ceppwawu remains a hotly contested issue.

Soon after this unifying process the previous Numsa senior shop steward (now chair of the unified committee) was disciplined by his new Ceppwawu colleagues and subsequently returned to Numsa, followed by a number of old Numsa members who had followed him into Ceppwawu. Thus, there was an effective return to the previous situation of Numsa being present in Injection Moulding and Ceppwawu elsewhere in the company.

In October 2002, the possibility of Ceppwawu joining the second national strike called for by Cosatu in opposition to privatisation was undermined by the threat of Numsa members again working – something that management encouraged. This contributed to reduced enthusiasm by Ceppwawu members and the decision – welcomed by management – that Ceppwawu shop stewards would attend the demonstrations (and be paid) while the company continued to operate as normal.

In May 2003 Wits Ceppwawu officials were suspended from the union – an event that was influenced by their attempt to organise a workers' referendum on Cosatu's October 2002 strike call. Following their suspension, fundamentally because of political differences, the Wits officials broke away and joined Giwusa which is an independent (registered) union formed in the late 1990s. The suspended Ceppwawu officials that have joined Giwusa stress workers' control of unions and negotiating structures and support alliances between unions and new social movements; such as the Anti-Privatisation Forum (APF). The officials brought some six to seven thousand Ceppwawu members with them (approximately half of the Ceppwawu Wits branch membership) – more than twice Giwusa's membership prior to this point. They also brought more experienced union officials into Giwusa and are likely to disproportionately determine the future direction of Giwusa as a whole.

There was an initially warm response from many union members to the now ex-Ceppwawu officials' request that the Roodekop workforce follow them into Giwusa. The vast majority moved to Giwusa, as did a small number of employees who had not previously been in any union. A

small number of employees remained in Ceppwawu (though without any shop steward representation).

Over the subsequent months Numsa was able to recruit more members, both within Injection Moulding and, significantly, in other parts of the company. At the time this research was conducted, based on payroll deduction of union dues, Giwusa remained dominant. However, it should also be noted that this coincided with the new provision in the Metal and Engineering Industries Bargaining Council (MEIBC), where Flowco employees' wages are negotiated, that all employees in the sector would, in addition to the R1 per week negotiating levy and R0.33 per week dispute resolution levy, pay 1% of their wages if they were not a union member. This new levy – or agency fee – will be distributed to all registered unions of the MEIBC (namely Numsa, Solidarity, United Association of South Africa, Mewusa, Ceppwawu, and SA Equity Workers Association) on a pro-rata basis. It is thought that this will increase union membership in the sector.

A divided workplace

An important factor in the way developments have unfolded at Roodekop is the divided nature of the workplace. Simplistically, this is between the older parts of the factory based around the Extrusion process (more skilled) and the new part of the factory that focuses on Injection Moulding. This division is based on a number of factors such as skill levels, wages, work processes, and geographical origin of workers. Finally, differences between the two departments – Extrusion and Injection Moulding – have provided grounds for the unions to focus on different recruitment strategies.

It should be noted that on occasion

management utilised this division within the workforce – and therefore contributed to it – as, for example, when it encouraged Numsa members to boycott Cosatu's 2002 privatisation strike to undermine the Ceppwawu members' willingness to join the protest.

The differences between Injection Moulding and Extrusion, not only in terms of unionisation, underline much of the current, and possibly future, turbulence within Flowco's workforce.

The Giwusa factor

The arrival of Giwusa at Roodekop was due to factors beyond the control of members of Flowco's workforce. The suspension of most of Ceppwawu's Wits branch officials followed a long history of disagreement between the Wits branch and Ceppwawu nationally. This disagreement was fundamentally based on political differences: Ceppwawu nationally supports Cosatu's policy of remaining within the tripartite alliance – despite differences with the ANC over some policy aspects, such as privatisation – while the Wits branch officials campaigned for a more independent union stance and an alliance with new social movements critical of government policies.

The decision by individual union members at organised workplaces was heavily influenced by the local union officials' decision. As shown by the original arrival of Numsa at Flowco's Chamdor plant, shifts in union membership are often triggered by perceptions of service from local union officials who provide direct contact between a union and its members.

As previously outlined, following the establishment of Giwusa, most Ceppwawu members, and some previously un-unionised members, joined the new union, but subsequently some then transferred to

More significantly Giwusa's independence struck a chord with a large numbers of workers who, although generally supportive of the ANC, felt that Cosatu's position was compromised by its alliance. In particular the federation's call for strikes against privatisation, and hence against ANC policy, has been confusing for rank-and-file members.

Numsa. How did the Roodekop workforce perceive the arrival of Giwusa in terms of national political issues – in particular Cosatu's membership of the alliance; union status and stability; and collective bargaining?

The alliance

Although central to the split in Ceppwawu, the question of whether Cosatu should be in alliance with the ANC (along with the SACP) should not be over-emphasised as a factor contributing to the decision of Flowco employees to join Giwusa. Nevertheless, the independence of Giwusa from Cosatu, and therefore from the alliance, was a factor initially favouring Giwusa for some workers. Some of the small number of previously un-unionised workers now felt able to join the new union given its lack of affiliation to the ANC. More significantly Giwusa's independence struck a chord with a large numbers of workers who, although generally supportive of the ANC, felt that Cosatu's position was compromised by its alliance. In particular the federation's call for strikes against privatisation, and hence against ANC policy, has been confusing for rank-and-file members.

Union status and stability

More important than the union's relation to political parties for Flowco employees is the stability of their union and its ability to defend their interests. In this

sense the independence of Giwusa has been increasingly viewed with concern given that it comes without a track record, organisational back up, or numerical support provided by a sector-wide union within a national federation. While there are clearly competent organisers within Giwusa there are no guarantees that the organisation will survive or will be able to effectively service its members. This uncertainty contrasts sharply with what Numsa can offer.

Collective bargaining

A key feature of Giwusa is its position on collective bargaining. The wages of Flowco employees have since the mid-1990s been determined in the Metal and Engineering Industries' Bargaining Council. While sector-level bargaining was originally a union demand, the current situation has removed negotiations over substantive issues from the company level, a situation welcomed by Flowco management since it reduces tensions at the plant level. While Giwusa is not opposed in principle to sector-level negotiations – and says that it intends to register with the MEIBC – it has indicated that it will allow negotiations at plant level when this is in the interest of workers. This would amount to an effective 'two-tier' system in which the union would encourage shop stewards to improve on the sector-agreement through plant or company-level negotiations (and

industrial action), should they feel this would be to their advantage.

This change of bargaining strategy has fed into fears by some Flowco workers that in shifting from Ceppwawu to Giwusa they have abandoned some of the gains built up by the union movement. From the perspective of Giwusa this shift represents a tactical move in providing a potential advantage over larger unions by exploiting localised strength in more profitable companies without having to be restrained by industry averages. Additionally, it is a response to Giwusa's concerns that the bargaining councils are increasingly bureaucratised, can no longer be regarded as worker-controlled organisations and weaken unions by disempowering shop stewards.

Giwusa's stance on collective bargaining raises a number of issues, including the payment of the MEIBC levies, the right to negotiate at plant level, and the implication for industrial relations within the company.

Union recognition

The arrival of Giwusa at Roodekop has had the effect of intensifying what has been a long-running recruitment competition between Numsa and Ceppwawu/Giwusa that has shifted between conflict and 'peace settlements.' It is now, arguably, at its most intensive phase, with a wide range of issues being used to recruit or retain members.

One of the factors that fuels the intensity of this conflict is the recognition given by management to the majority union in the factory. While this approach complies with the LRA, it creates a 'winner takes all' situation in which the union able to claim the majority of workers is afforded far more rights than other unions. How the majority status is defined is an issue that is often more difficult than first appears since there are anomalies such as how minority unions and non-union members should be included in any calculation.

As a result it is not surprising that a wide range of issues have been mobilised in the recruitment competition between Numsa and Giwusa. For example, much of the initiative regarding recruitment has been made by Numsa. This is not surprising, since as the minority union it has everything to gain from increasing its membership. Additionally, however, its exclusion from decision making within the company as a result of its minority status appears to have left its representatives with higher levels of energy than the current Giwusa shop stewards who, at the end of their three-year term, are tired and in some cases disheartened. Giwusa, on the other hand, has been largely defensive. The success of Numsa's recruitment drive has seen Numsa dominate within Injection Moulding and make some inroads into other departments.

In addition, somewhat ironically, Numsa – the Cosatu affiliate – is clearly the more radical union in terms of its tactics and strategies within Roodekop, despite Giwusa taking a more militant stand against Cosatu-affiliated unions nationally. This is a result of Numsa's need to 'outclass' Giwusa if it is to overcome its minority status in Roodekop and the limitations that this

imposes. Numsa regards discipline as a key issue in which it can defend workers against management and prove to the workforce as a whole that they are the stronger union. In contrast Giwusa actively seeks to maintain good relations with management by taking responsibility for the actions of its members and counselling members who are being disciplined because of absenteeism, on the grounds that this impacts on productivity and therefore job security. In fact, as with most unions, local leadership of both Numsa and Giwusa attempt to discipline their own members before any breach of disciplinary rules becomes public. The difference at Roodekop is what stance unions take once any offence has become public and management has chosen to implement disciplinary action.

A number of strategies are being mobilised in the current recruitment competition between Giwusa and Numsa. These include emphasising differences between Injection Moulding and Extrusion, individual grievances and personalities and union status as well as discipline.

Possible outcomes

It is impossible to predict what is likely to happen about union membership at Flowco's Roodekop factory. However, a number of possible outcomes could be explored including the following:

The establishment of a single union

This could be achieved through attrition; suddenly or by internal agreement. The gradual option would see one union gradually fading into insignificance but it is unlikely that any one union could completely dominate the Roodekop workforce since both Numsa and Giwusa appear to have power bases that are unlikely to be eradicated on the basis of the current

issues.

It is possible that one of the two unions could come to dominate in a more dramatic fashion, possibly following industrial action. While nothing can be predicted, it would appear that Numsa is in a stronger position than Giwusa at Roodekop over industrial action. A unified workforce could also be brought about by agreement between representatives of the two unions at the plant level. This is unlikely to be easy but would be possible.

Two unions – one majority one minority

Another possibility is the continuation of two unions at Roodekop. If the current management policy on recognition remains, then the current tensions are likely to also remain. If more recognition is given to the minority union these tensions may be reduced but the divided nature of the workforce would remain entrenched.

The worse case scenario is one in which the two unions remain and alternate the minority and majority status as a result in membership changes in 'swing' departments.

Conclusion

Currently industrial relations at Roodekop can be described as 'generally good,' but limited (often to very basic 'bread and butter' issues). A key industrial relations issue at Roodekop is the split nature of the workforce, which is based not only on unions, but also on work process, skills, wages and even geographical origin. In addition to this split between Injection Moulding and Extrusion, there are also issues of personalities and individual grievances that have formed grounds for individual allegiance or change of allegiance to a particular union. These differences have been used in ongoing competition between

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the two unions present in the low and semi-skilled workforces.

The replacement of Ceppwawu by Giwusa at Roodekop is not responsible for the split in the workforce, but it has provided additional issues on which inter-union competition for membership can be based. These include the political stand of the two unions and, more importantly, the perceived status and stability of the unions and what Giwusa's stance on collective bargaining might mean. These additional issues appear to have worked to the advantage of Numsa, which has gained some ground.

The possibility of locally-based industrial action by Giwusa (though currently not seemingly favoured by Giwusa shop stewards at Roodekop) provides a 'wild card' in future events that might lead to one union rapidly dominating. How this might happen is impossible to predict, though it does appear that, under current circumstances, Numsa would be more likely to gain in such an event.

In the absence of such a sudden change it seems likely that the two unions will remain within the company. If the 'winner takes all' dynamic of giving only limited recognition to minority unions remains, the current tensions are also likely to remain and probably increase.

A final possibility is that the two unions successfully repeat the earlier attempt to merge the workforce within a single union, something that will clearly be difficult but not impossible.

Challenge for management

Unions are a part of life in South Africa and at Flowco, but management needs to determine what relationship it wants with its unionised workforce. While at a sector level there is now a fairly orderly relationship in place, it is clear that at Roodekop the 'good relationship' does not extend to an active programme of working with the union for the good of all stakeholders in the company. The divided nature of the workforce appears, in fact, to be generating a process that will increasingly force the two unions to become more militant in their dealings with management.

It is possible that a single union may emerge, but this will be the union that has proved it is best able to oppose management, not work with it. Alternatively, a single union reached by agreement within the workforce could result in a union able to work with management on skills development, employment equity, productivity, wages and job creation. But for this to happen management would have to be willing to offer – genuinely – room for far more extensive co-operation with the workforce and its representatives than currently exists.

For management, the key question is, therefore, whether it should extend the scope of worker responsibility and decision-making beyond the current arrangement that provides little if any scope for constructive engagement and makes confrontation an effective union strategy?

Challenge for workers

A basic principle of unionism is that 'unity is strength'. A divided workforce is a weak workforce. Inter-union competition is absorbing large amounts of energy and is setting worker against worker. The current agenda that workers and their representatives are forced to follow is how to 'defeat' the other union, not how to advance their position within the working environment.

The 'real' agenda in the new South Africa is around skills, wages, productivity, working conditions, jobs, and employment equity. There is very little evidence that workers and their representatives are able to devote time to these important issues and help shape them to their advantage. To do so requires that infighting be put aside and that workers approach management in a united and disciplined fashion to negotiate how this real agenda can be successfully implemented.

This case study has revealed that workers still see unions as being important but a worrying development is the extent to which they shifted from one union to another, partly because of various frustrations. Ultimately, competition and division between workers will keep unions weak and prevent them from engaging in workplace change.

Dickinson is senior lecturer in industrial relations at Wits Business School. This is an edited version of the paper he presented at a Swap workshop at Wits University.

The next edition of the Labour Bulletin will debate this issue further with input from both Ceppwawu and the dismissed regional leadership who subsequently joined Giwusa.